



DATE: MARCH 23, 2020

**SUBJECT: UNITED TECHNOLOGIES CORPORATION - DISTRIBUTION
OPTION SYMBOLS: UTX/2UTX
NEW SYMBOLS: UTX2/2UTX2
FUTURES SYMBOL: UTX1D
NEW SYMBOL: UTX2D
DATE: 4/3/20**

CONTRACT ADJUSTMENT – OPTIONS

EFFECTIVE DATE: April 3, 2020

OPTION SYMBOLS: UTX changes to UTX2
2UTX2 changes to 2UTX2

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 79 yields \$7,900)

NEW DELIVERABLE PER CONTRACT

- 1) 100 United Technologies Corporation (UTX) Common Shares
- 2) 100 (New) Carrier Global Corporation (CARR) Common Shares
- 3) 50 (New) Otis Worldwide Corporation (OTIS) Common Shares

SETTLEMENT ALLOCATION: UTX: TBA
(New) CARR: TBA
(New) OTIS: TBA

CUSIPS: UTX: 913017109
(New) CARR:14448C104
(New) OTIS: 68902V107

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

PRICING

The underlying price for UTX2/2UTX2 will be determined as follows:

$$\text{UTX2} = \text{UTX} + \text{CARR} + 0.5 (\text{OTIS})$$

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE: April 3, 2020

FUTURES SYMBOL: UTX1D changes to UTX2D

Note: All active United Technologies Corporation (UTX) futures will be adjusted in a manner similar to that of UTX1D futures.

SETTLEMENT PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150)

NEW DELIVERABLE PER CONTRACT

- 1) 100 United Technologies Corporation (UTX) Common Shares
- 2) 100 (New) Carrier Global Corporation (CARR) Common Shares
- 3) 50 (New) Otis Worldwide Corporation (OTIS) Common Shares

SETTLEMENT ALLOCATION:

UTX: TBA
(New) CARR: TBA
(New) OTIS: TBA

CUSIPS:

UTX: 913017109
(New) CARR:14448C104
(New) OTIS: 68902V107

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PRICING

The underlying price for the UTX2D Futures contract deliverable, expressed in term of current market value, would be calculated as follows:

$$\text{UTX2D} = \text{UTX} + \text{CARR} + 0.5 (\text{OTIS})$$

Please note that the valuation would apply only to the UTX2D deliverable in terms of current market value of the deliverable securities. The resulting price would not be equivalent to the daily settlement price of a futures contract month, whose determination would include cost of money carrying charges, adjustment for dividends, and other factors.

BACKGROUND

United Technologies Corporation (UTX) has announced a separation of its commercial businesses, (New) Carrier Global Corporation (CARR) and (New) Otis Worldwide Corporation (OTIS) into independent entities by way of a distribution. The distribution rates are one (1.0) CARR share and 0.5 OTIS share for each UTX

share held. The record date is March 19, 2020; the payable date is April 3, 2020. The NYSE has set April 3, 2020, as the ex-distribution date for this distribution.

(New) Carrier Global Corporation Common Shares and (New) Otis Worldwide Corporation Common Shares began trading on a when issued basis on March 18, 2020 on the NYSE under the trading symbols "CARR WI" and "OTIS WI", respectively.

DISCLAIMER

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.